GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:398
ANSWERED ON:20.04.2000
STATUTORY RATIONING SYSTEM
P.C. THOMAS

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Statutory Rationing System is prevalent in some States;

(b) if so, the names thereof;

(c) the reasons for introducing such schemes in these States;

(d) whether any change is envisaged for such scheme;

(e) if so, the reasons therefore;

(f) whether the Government of Kerala has requested for continuation of StatutoryRationing in the State; (g) if so, the details of the points raised; and (h) the response of the Union Government thereto?

Answer

MINISTER OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI SHANTA KUMAR)

(a),(b),(c), (d),(e),(f),(g) & (h) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c),(d),(e),(f),(g) & (h) OF STARRED QUESTION NO. 398 F ANSWER IN THE LOK SABHA ON 20-04-2000.

(a) & (b): Yes, Sir. Statutory Rationing System is prevalent in Kerala and in a part of West Bengal covering Calcutta and other industrial areas of West Bengal (Howrah part of Hooghly district, Barackpore sub division of North 24 Parganas district and Asansol and Durgapur in Burdwan district).

(c) Kerala Government have informed that the Statutory Rationing System under KeralaRatiioning Order, 1966 was introduced in order to maintain the supplies of certain essential commodities and for securing their equitable distribution and availability at fair prices. Similarly, the West Bengal Government have informed that the statutory rationing in West Bengal originated in the wake of the Bengal famine in 1943. Thereafter statutory rationing was partially withdrawn from some industrial areas in 1947. In 1964 the West Bengal Rationing Order was introduced formally reestablishing statutory rationing in Calcutta and otherindustrial areas. According to West Bengal Government, the reason for continuing the systemof statutory rationing is to ensure availability of foodgrains at prescribed scales of distribution.

(d) & (e): Government of Kerala does not propose any change in the statutory rationing system at present. The system of statutory rationing was modified by West Bengal after the introduction of TPDS in June, 1997 because majority of ration card holders in these areas are APL and allocation of foodgrains under TPDS was assured to BPL families, although transitory allocation was made for APL families as well. The system of cordoning around the areas of the state covered by Statutory Rationing has also been withdrawn and traders are now allowed to bring rice into Statutory Ratiioning areas and stock it for sale on the basis of storage licences issued by State Government.

(f) & (g): Government of Kerala has requested for continuation of allotment of foodgrains for distribution through the statutory rationing system in the state. State Government has requested as follows:

- to continue allotment of foodgrains to all (irrespective of whether they are below or above poverty line) and to enhance allocation for BPL families.
- not to increase prices of PDS foodgrains.
- to improve the quality of foodgrains supplied through PDS.

(h) Government of India has doubled the BPL allocation of foodgrains from 10 kg. to 20 kg./ per family per month at 50% of Economic Cost w.e.f. 1.4.2000. At the same time the allocation for APL has been retained at the same level which was allotted at the time of

introduction of TPDS, at economic cost.It has also been decided that in case any State/UT demands anyadditional quantity of wheat or rice over and above their normal monthly allocation, it will be allotted at Economic Cost.

The Central Issue Price of foodgrains have been increased keeping in view the increasein Minimum Support Price(MSP) and other associated expenses and budgetary constraints. Moreover, Central Issue Prices (CIP) for BPL allocations had not been increased since the introduction of the TPDS in June, 1997.

In the past relaxation in quality specifications were given at the request of procuring states to mitigate the sufferings of farmers due to unseasonal rains/natural calamity. These foodgrains were also well within PFA limits. However, Government has now decided to procure foodgrains strictly as per specifications and to supply only good quality foodgrains free from insect infestation through PDS.